

EXECUTIVE SUMMARY MCWRA CALFED PROPOSAL

To gain the support of MCWRA members and other rural Northern California constituents, CALFED must recognize the following concerns:

- The need for MCWRA members to obtain additional water supplies for present and future needs by exercising area of origin rights at new storage facilities and diversions, purchasing existing supplies, and implementing conservation and efficiency measures.
- The problems posed by environmental and allied opposition to all new storage or increased diversions, even when no alternatives exist, and to water conservation measures that enclose leaky, outmoded ditch conveyance systems.
- The financial obstacles to project development arising from the higher site development and environmental mitigation costs of present-day projects, and from the limitations of MCWRA members' small and dispersed rate bases.

CALFED's Stage I solution should address the above concerns as follows:

- Provide funding for studies of future supplies, including new facilities, reoperation of existing facilities, and conservation measures.
- Make substantial investments in watershed restoration efforts to enhance water quality and quantity.
- Provide firm assurances that "area of origin" rights will be preserved and facilitated.

CALFED's Stage II solution must provide tangible benefits to rural areas as all interests "get better together," as follows:

- Provide grants and low-cost loans for new water development projects to offset the financial obstacles summarized above.
- Increase water storage statewide to meet future consumptive demands, serve environmental needs, and ensure that the area of origin's rights to current and future supplies are not sacrificed to these other interests.
- Implement extensive watershed restoration programs.

Existing water supply projects located within MCWRA members' jurisdictions largely benefit others and had the economic advantages of being the most feasible and least burdened by the expense of recent environmental mandates. MCWRA members allowed these projects to be built in reliance upon the clear, statutory promise that they could exercise their "area of origin" rights in the future. For MCWRA, the future is now. The actions proposed above will provide statewide benefits while fulfilling the longstanding commitments owed to MCWRA's members.